

AUDIT COMMITTEE

9th November, 2015, at 6.00 p.m.

Conference Room, Council House, Walsall

Present

Mr F Bell (Chairman and Independent Member)
Councillor Chambers (Vice-Chairman)
Councillor Craddock
Councillor Robertson
Councillor Sohal
Councillor Worrall (arrived at 6.09pm)

In attendance

Chief Finance Officer
Audit Manager
Team Leader – Town Centre Development
Treasury Financial Administration and Systems Manager

Representative from Grant Thornton
Representative from Ernst and Young

1319/15 Apologies / Welcome

The Chair welcomed all present to the meeting introduced those who were new to the Committee.

Apologies were submitted on behalf of Councillor Longhi, Mr Green and Mrs Hepburn (Independent Members).

1320/15 Minutes

The minutes of the meetings held on 1st and 23rd September, 2015, were submitted:-

(see annexed)

Resolved that the minutes of the meetings held on 1st September and 23rd September, 2015, copies having previously been circulated to each Member of the Committee, be approved and signed by the Chairman as correct records.

Further to Minute No. 1315/15 [3] (Corporate Performance Management Framework) it was reported that Members had been consulted on a revised

Framework and they were content with the revisions. As a result of this, the revised Framework was now agreed (see annexed).

1321/15 Declarations of Interest

There were no declarations of interest.

1322/15 Deputations and Petitions

There were no deputations submitted or petitions received.

**1323/15 Local Government (Access to Information) Act, 1985 (as amended)
Resolved**

That the public be excluded from the meeting during consideration of the items set out in the private part of the agenda for the reasons set out therein and Section 100A of the Local Government Act, 1972.

1324/15 Notification of any issues of importance for consideration at a future meeting

There were no issues highlighted.

1325/15 Old Square Redevelopment Project – Lessons Learned Report

A report was submitted:-

(see annexed)

The Team Leader – Town Centre Development presented the report and highlighted the salient points contained therein.

Members considered the report which sought to advise the Committee in relation to the Old Square Redevelopment Project, which was now approaching financial closure, to explain the lessons learned, including its governance and financial / risk management.

Members extended their thanks to the Team for dealing with this project, which had been a success, in such a professional manner. In doing so, Members sought assurance that the Team would not be losing the experience and expertise which had been gained as a result of this project. The Team Leader – Town Centre Development advised that he would soon be leaving the Council's employment for a new job, but the Team still had many Members who had also been involved with the project and had gained a vast amount of experience in doing so.

Resolved that the lessons learned from the project, including the governance arrangements and its financial and risk management be noted.

1326/15 **Ernst and Young Audit Strategy for the Year Ending 31 March 2016**

A report was submitted:-

(see annexed)

The representative from Ernst and Young presented the report and highlighted the salient points contained therein.

Members considered the report which provided the Committee with details of Ernst and Young's Audit Strategy for Walsall Council for the year ending 31st March, 2016.

Members commented that they looked forward to working with Ernst and Young over the coming years.

Resolved that the report be noted.

1327/15 **Annual Audit Letter 2014/15**

A report was submitted:-

(see annexed)

The representative from Grant Thornton presented the report and highlighted the salient points contained therein. In doing so, he added that he wished to have his thanks recorded for the way in which the Chief Finance Officer and his team at Walsall had acted in a professional and courteous manner over the number of years they had worked together.

Members considered the report which provided the Committee with Grant Thornton's Annual Audit Letter for 2014/15. It provided a summary of the key issues arising from the work that the external auditors had carried out at Walsall during that time. The letter communicated their key messages and conclusions to the Council and external stakeholders, including members of the public. The letter covered the following work areas: -

- auditing the 2014/15 year end accounts;
- assessing the Council's arrangements for securing economy, efficiency and effectiveness to ensure Value for Money (VfM) had been achieved.

Arising from discussion on this item, the Chair and Vice-Chair also extended the Committee's and the Council's thanks to Grant Thornton for all their hard work and the good working relationship they had established with the Council.

Resolved that the Annual Audit Letter be received.

1328/15 **Annual Review of Treasury Management Policies and mid-year position statement 2015/16**

A report was submitted:-

(see annexed)

The Treasury Financial Administration and Systems Manager presented the report and highlighted the salient points contained therein.

Members considered the report which set out the Council's review of treasury management policies as well as providing a mid-year position statement for treasury management activities.

The Vice-Chair requested a briefing note in relation to the summary provided by the Treasury Financial Administration and Systems Manager.

Resolved that: -

1. the treasury management policies, as set out at Appendix A to the report, be approved and recommended to Council,.
2. the mid-year position statement for treasury management activities 2015/16 including prudential and local indicators, as set out at Appendix B to the report, be noted forwarded to Council.
3. the planned treasury management training for members prior to council on 16th November 2015, as set out at Appendix C to the report, be noted.

1329/15 **Financial Health Indicators 2015/16 and Medium Term Financial Strategy and Capital Strategy Update**

A report was submitted:-

(see annexed)

The Chief Finance Officer presented the report and highlighted the salient points contained therein.

Members considered the report which detailed the financial health indicators for the second quarter of the year (to 30th September, 2015), including the current year end forecast position for both revenue and capital as at 31st August, 2015.

Resolved that the financial health indicators be noted.

1330/15 **Internal Audit Update Report**

A report was submitted:-

(see annexed)

The Audit Manager presented the report and highlighted the salient points contained therein

Members considered the report which provided the Committee with an update on Internal Audit's progress for the six month period ending 30th September, 2015.

A Member queried if the decrease in the number of whistleblowing allegations had assisted Internal Audit in hitting their targets for this period. The Audit Manager advised that it had, indeed, helped.

Resolved that the report be noted.

1331/15 **Private Session**

Exclusion of Public

Resolved

That, during consideration of the remaining item on the agenda, the Committee considers that the item for consideration is exempt information for the reasons set out therein and Section 100A of the Local Government Act, 1972 and accordingly resolves to consider the item in private.

1332/15 **Internal Audit Update Report**

During consideration of this item, the Chair left the room between 6.37 p.m. to 6.42 p.m. for which the Vice-Chair substituted.

A report was submitted:-

(see annexed)

The Audit Manager presented the report and highlighted the salient points contained therein

Members considered the report which summarised Internal Audit's unplanned assurance work for the period ending 30th September, 2015.

Arising from discussion on the report format, it was agreed that future reports on this matter would include a start and, where possible, an estimated closure date.

The Chair reminded Members that they were at liberty to contact the Audit Manager in advance of Committee meetings should they have any queries or should they wish to receive any addition information on specific cases.

Resolved that the report be noted.

[Exempt from publication by virtue of paragraphs 1, 2, 3 and 7 of Part 1 of Schedule 12a of the Local Government Act 1972]

Termination of meeting

The meeting terminated at 6.57 p.m.

Chair:

Date: